

Beunza, Daniel

**Article**

## New artistic engagements with the capital markets

economic sociology\_the european electronic newsletter

**Provided in Cooperation with:**

Max Planck Institute for the Study of Societies (MPIfG), Cologne

*Suggested Citation:* Beunza, Daniel (2006) : New artistic engagements with the capital markets, economic sociology\_the european electronic newsletter, ISSN 1871-3351, Max Planck Institute for the Study of Societies (MPIfG), Cologne, Vol. 7, Iss. 3, pp. 29-33

This Version is available at:

<https://hdl.handle.net/10419/155870>

**Standard-Nutzungsbedingungen:**

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

**Terms of use:**

*Documents in EconStor may be saved and copied for your personal and scholarly purposes.*

*You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.*

*If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.*

# New artistic engagements with the capital markets

**Daniel Beunza**

**Universitat Pompeu Fabra (Barcelona) and Columbia  
Business School (New York City)**

**daniel.beunza@upf.edu**

Behind a seemingly technical discourse of volatility, liquidity or market efficiency, Wall Street exerts an opaque influence on the men and women of the street. In recent years, a number of economic sociologists have challenged this peculiar situation with the emerging literature on the social studies of finance (see De Goede 2005 for an online review). In a new and surprising turn of events, contemporary artists are joining academics in their intellectual exploration of finance. This fortunate confluence of interests promises to bring the capital markets back to where they belong – to the center of public understanding, debate and critique.

This sudden artistic interest in finance is paradoxically a logical consequence of the current role played by art in society. Following the programmatic vision laid out in the 20<sup>th</sup> C. by Walter Benjamin, Marcel Duchamp or Andy Warhol, art has nowadays become a forum for debate on issues of social significance. In this sense, finance-inspired art can be seen as the contemporary counterpart of Pop Art. Just as the aesthetics of Warhol's can of Campbell soup prompted reflection about mass media and bureaucratic mass production – in short, the capitalism of the 1950s – finance art now provides an up to date commentary on our present-day capitalism. This emerging art genre examines the meaning of work and value in an economy characterized by interactive technology, mathematical formulae and market-based organizations.

From June 27 to September 3, the Spanish museum La Casa Encendida in Madrid will host an exhibition on art and finance titled *Derivatives, new art financial visions*.<sup>1</sup> The gathering will bring together nine different international artists with pieces inspired on the capital market. The artists already are acclaimed figures on their own right, with previous exhibitions in venues such as the Whitney Museum, the Tate Modern Gallery or the Sidney Opera House.

For sociologists, *Derivatives* offers an inspiring new lens to reflect on modern capital markets. Indeed, the exhibition could well be described as a form of visual economic sociology. The curators -- undersigned, along with web designer Mar Canet and artist Jesus Rodriguez -- were led to the pieces by their sparkling relevance to the capital markets. Using techniques as diverse as videogames, prints, projections and even a live "financial concert," the artists bring to life abstract sociological concepts such as representation, mediation or corporate board interlocks. The tantalizing promise of the exhibition is that bringing the stock market inside a museum will lead to new ways of thinking about them – the "new financial visions" that the project promises in its title.

The peculiar mix of financial and aesthetic presented in *Derivatives* has been long in the making. Electronic and new media artists in New York and London began to explore the capital markets in the late 1990s. With striking pieces such as *Ecosystem* or *Black Schoals*, young artists like John Klima, Lise Autogena and Joshua Portway broke with the long-standing tradition whereby artists – whether rich or poor – rarely considered money as a legitimate subject matter. The roots of this refreshing change can be traced to the rise in Wall Street's social significance during the Internet boom of the 1990s.

The curator's interest in art dates back to Beunza's ethnography of the trading room of a Wall Street investment bank in November 1999. The screens of the traders that Beunza examined were filled with a fabulous diversity of color and visual shapes. As Beunza and Stark (2004) describe, one screen displayed "a geometric array of white, green, blue, and cyan squares ... lending it the appearance of [a] painting by Piet Mondrian." Another showed "a more conventional text interface, a boxy black-on-white combination suggestive of 1980s-style minicomputer screens." Yet another one presented "narrow white lines that zigzag in a snake-like manner from left to right over the soothing blue background" (Beunza and Stark 2004; 392). The capital markets, in other words, had an aesthetic dimension that had previously been unexplored by academics.

The sociological rationale for such graphic exuberance relates to the nature of arbitrage and opportunity-seeking. Just as the introduction of photography in the 19<sup>th</sup> century prompted artists to break with figurative painting, the widespread availability of information through the Internet and Bloomberg terminals has eliminated the traditional advantages enjoyed by well-connected traders. Profit opportunities in modern arbitrage – the golden goose of millionaire hedge funds around the world – now involve developing original representations of value that make visible profit opportunities that are otherwise inexistent (see Beunza and Stark, 2004; Knorr Cetina 2003).

The parallel worlds of art and sociology came together thanks to the pioneer initiative of Bruno Latour and Peter Weibel. In their daring experimental exhibition, *Making Things Public: Atmospheres of Democracy*, artists and sociologists of science mingled freely in the halls of Karlsruhe's ZKM Center for Art and Media. Artists Ben Rubin, Richard Rogers, Natalie Jeremijenko and Josh On were all present at the show. Sociologists Fabian Muniesa and Daniel Beunza were also present, humbled by their co-exhibitors, proposing a tentative artistic reflection on financial visualizations with *The Parliament of Finance* (for more on this installation, see Beunza and Muniesa 2004). This meeting place was the starting point of a joint project.

The final catalyst of the exhibition was the establishment of Derivart in late 2004. Founded by the curators of *Derivatives*, this Barcelona-based interdisciplinary group is aimed at exploring the intersection of art, technology and finance. It resulted from the juxtaposition of the interests of all three members. One of them (a plastic artist) was interested in the aesthetics of mass-manufactured products; another one (a web designer) was keen to understand visualization of large volumes of data; its third member (undersigned, an economic sociologist) had an interest in the social determinants of value. The capital

markets proved to be a fruitful terrain for furthering all three intellectual interests. As part of a long list of initiatives (some failed, some not; for more information see <[www.derivart.info](http://www.derivart.info)> and click on "English site"), Derivart sent a proposal for an exhibition on art and finance to a public competition for novel curators, organized by Spanish museum La Casa Encendida. The proposal, *Derivatives*, was chosen among over sixty alternative projects.

## Representing, reviewing and re-thinking finance

What does it mean to do art about finance? The central themes explored in the Madrid exhibition are, first, the ways in which representations of value mediate economic decisions, which the curators label *re-presentation*. Second, the new possibilities of interactivity and new media, which the curators label *revision*. And third, several critiques of financial capitalism in its current form, which we call *re-thinking*. We expand on each of these below.

**Re-vision.** One group of installations presents the different ways in which contemporary artists have portrayed the stock, bond or foreign exchange markets. It shows, in other words, non-financial representations of financial issues, providing observers and academics with fresh ways to think about the nature of capital markets.

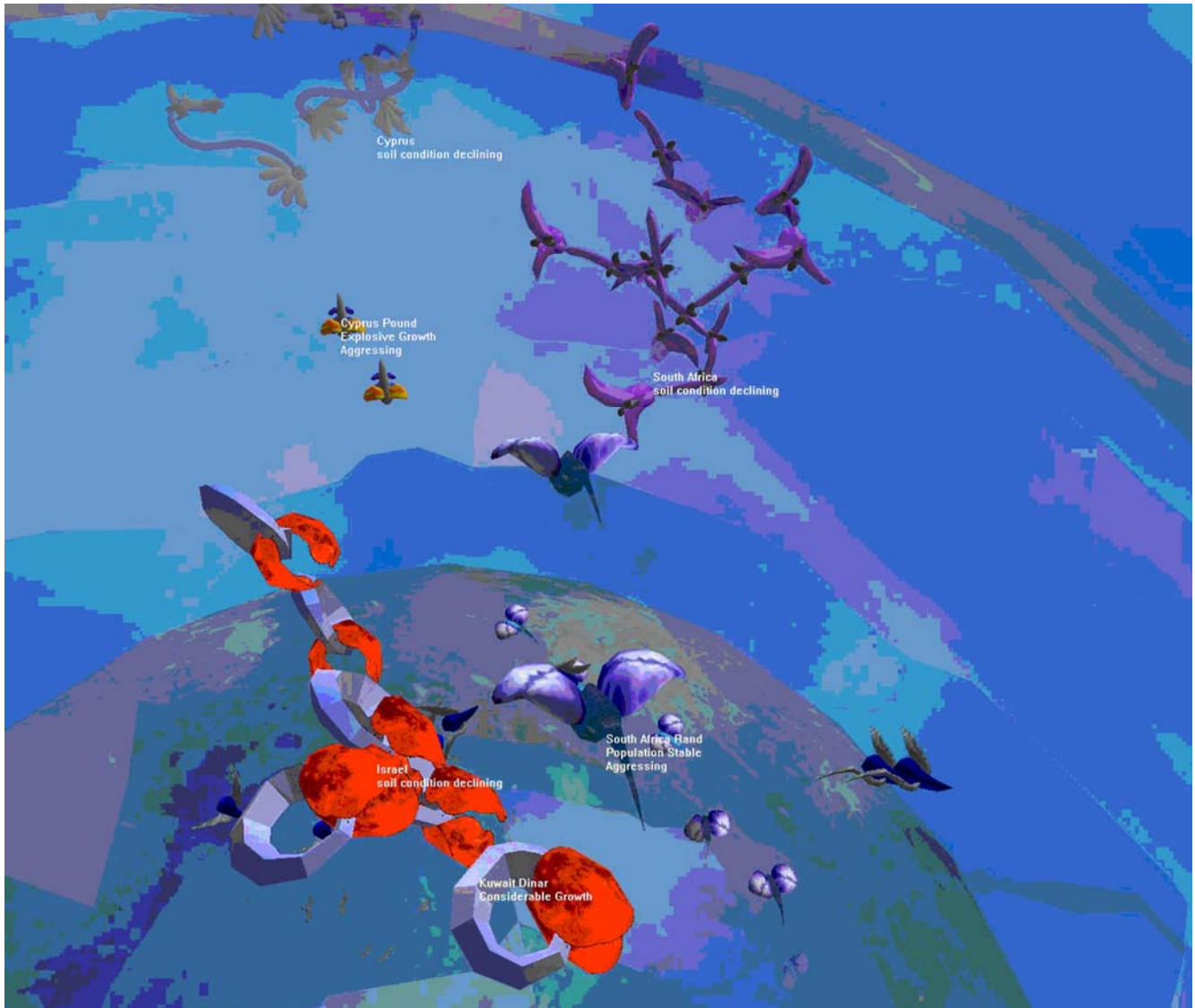
*Ecosystem*, for instance, an installation by New York artist John Klima, explores financial volatility from an artistic standpoint. The artist proposes a videogame in which stocks and currencies adopt the form of mutant birds in a three-dimensional landscape. The flight of the birds is driven by real-time market data. In this way, volatility, (an expression originated in the Latin word *volare* or "to fly") takes in this piece the form of flying creatures along a dramatic sky of orange, purple and green.

In *Black Shoals: Stock Market Planetarium*, Lise Autogena and Joshua Portway propose a financial planetarium, that is, a dark dome with a constellation of 10,000 stars projected on it. Each star corresponds to a listed company, and their brightness and relative position changes with the price of its stock, in real time. The Madrid exhibition, however, does not present the original piece but a varia-

By virtue of its widespread adoption, the formula became a valid description of option prices (Mackenzie and Millo 2003). But it also had a prominent role in the three-billion shipwreck of the hedge fund Long Term Capital Management (Mackenzie 2004).

In contrast to the high-tech world of financial formulae,

**Figure 1**  
**Ecosystem, by John Klima.**



tion on it, *The Making of Black Shoals*. In this dvd, Autogena and Portway recount how their original piece was installed at the Tate Modern Gallery in 2002. *Black Shoals* constitutes a critique to the opaqueness of formulae such as Black-Scholes. The name of the installation, *Black Shoals*, combines that of the aforementioned Nobel Prize-winning formula with an allusion to dark shallow waters.

*Open Outcry*, by sound artist Ben Rubin, celebrates the human side of financial markets. Rubin presents live recorded sequences from pit traders in the New York Mercantile Exchange. The artist alternates these recordings with a combination of minimalist music, mechanic listings of commodities prices and interviews to the traders about the experience of working on a pit and on September

11th. The piece prompts reflection on the ways in which social traits – the status, networks and face-to-face relationships among fellow traders – shape value, a theme that has also been explored in by economic sociologists (see Baker 1984; Zaloom 2003).

In *Nasdaq Voices*, Fabio Cifariello plays a live concert by translating real-time Nasdaq prices into the musical instruments of a symphonic orchestra. The fluctuations of Yahoo, Apple, Microsoft gain a voice and prompt reflection on the importance of technological mediation in the capital markets.

**Re-presentation.** Another approach to conceptualize finance is provided by decontextualization. The first group of art installations presented in the exhibition includes financial representations of non-financial issues. For example, *Web Issue Index of Civil Society*, by Richard Rogers and Govcom.org, proposes an interactive projection that appropriates the technology of the stock ticker for use in political activism. Instead of displaying stock prices, the *Web Issue Index* shows the state of different social problems such as “discrimination and racism,” “human rights,” or “sustainable development,” march along the screen, with an arrow pointing up or down depending on the current state of affairs.

This unusual appropriation of a money-making artifact for activist purposes turns out to be surprisingly effective. Just as the stock ticker made share prices more engaging to investors (Preda 2006), adding movement to social issues makes them seem more current, exciting and alive. The *Web Issue Index* also illustrates the potential of new technologies for promoting political participation (Rogers 2004), an idea that presided Latour and Weibel’s ambitious art exhibition in 2004.

The theme of financial reuse and appropriation is also pursued in *Despondency Index*. In this piece, pioneer artist-engineer Natalie Jeremijenko combines the Dow Jones Industrials Average index during the years 1996-2000 with a time series of suicide incidences at the Golden Gate Bridge. The graph shows that suicide incidences remained stable during the years, even as the Dow rose to unprecedented highs. This vivid decoupling of the social and the financial provides a sophisticated critique of Wall Street by calling into question the validity of its financial representations.

**Re-thinking finance.** A third group of installations questions the current economic models inspired in the capital markets. What should a financial reform agenda consider? *Google Will Eat Itself*, an installation by Lizvix and Hans Bernhard, Alessandro Ludovico and Paolo Cirio, critiques the recursive dynamics surrounding financial bubbles. To do so, the artists placed Google ads on their website, obtained advertising revenue from them and boosted this revenue with a script that faked visits to the site. They used the resulting income to buy shares in Google, artificially fattening the stock price of the company -- with Google’s own money. In doing so, the artists call attention to the self-referential dynamics involved in financial bubbles, whereby stock price and company value are made to grow together. The piece connects with the sociological view that bubbles are a consequence of interpretive difficulties faced by investors – rather than the result of blind imitation or faulty mental ability (Beunza and Garud 2006; Zuckerman and Rao 2004; Zuckerman 2004).

This reflection on bubbles is followed by *They Rule*, by New York artist Josh On. The piece displays the networks of board interlocks among the Fortune 500 corporations. Thanks to an addictively interactive graphic design, any visitor can become an instant network analyst. *On Translation: The Bank*, by Antoni Muntadas, is part of a print series that revisits the theme of mediation by presenting currency exchanges as an instance of translation. “How long,” the piece asks, “would it take for 10,000 dollars to disappear through currency exchanges?”

All in all, *Derivatives* brings together nine intriguing artistic images of the capital markets. For most of the 20<sup>th</sup> Century, both artists and sociologists seemed to have neglected a crucial actor in society and the economy: the capital markets. In the exhibition described so far, artists join the current efforts in modern economic sociology in removing this veil of opacity with a critical exploration of securities markets.

## Endnotes

*Derivatives, new art financial visions* is curated by Mar Canet, Jesús Rodríguez and Daniel Beunza. It will be on show at La Casa Encendida from June 27 to September 3. The museum is located in Madrid, at Ronda de Valencia, 2. For more information, see [www.derivart.info](http://www.derivart.info)

**1** The exhibition will stay in Madrid for two months before rotating to other cities in Spain.

## References

- Baker, W. E.** (1984), "The social structure of a national securities market." *American Journal of Sociology*, 89, 775-811.
- Beunza, Daniel, and David Stark.** 2004. "Tools of the trade: The socio-technology of arbitrage in a Wall Street trading room." *Industrial and Corporate Change* 13:369-400.
- Beunza, Daniel and Fabian Muniesa.** 2005. 'Listening to the spread plot'. Pp. 628-633 in *Making things public: Atmospheres of democracy*, edited by Bruno Latour and Peter Weibel. Cambridge MA: MIT Press.
- Beunza, Daniel and Raghu Garud,** 2006. "Securities Analysts as Frame-Makers.". In Donald MacKenzie, Yuval Millo and Fabian Muniesa, *Testing Markets*. London, Blackwell. Forthcoming.
- Beunza, Daniel, Iain Hardie and Donald MacKenzie,** 2006. "A Price is a Social Thing: Towards a Material Sociology of Arbitrage." *Organization Studies* 27(5):721-745 (2006)
- Callon, Michel;** 1998. *The Laws of the Markets*. Oxford: Blackwell.
- De Goede, Marieke.** "Resocialising and Repoliticising Financial Markets: Contours of Social Studies of Finance." *Economic Sociology: European Electronic Newsletter* 6, no. 3 (July 2005):<http://econsoc.mpifg.de/current/6-3art3.asp>
- De Goede, Marieke,** Virtue, Fortune and Faith: A Genealogy of Finance. Minneapolis: University of Minnesota Press, 2005
- Knorr Cetina, Karin.** 2003. "From Pipes to Scopes: The Flow Architecture of Financial Markets", *Distinktion*, 7: 7-23.
- Knorr Cetina, Karin and Urs Bruegger,** 2002. "Global Microstructures: The Virtual Societies of Financial Markets", *American Journal of Sociology*, 107(4): 905-50
- Granovetter, Mark** (1985), 'Economic action and social structure: The problem of embeddedness,' *American Journal of Sociology*, 19, 481-510.
- Latour, Bruno and Peter Weibel,** 2004. *Making things public: Atmospheres of democracy*, edited by Bruno Latour and Peter Weibel. Cambridge MA: MIT Press.
- MacKenzie, Donald.** 2003. 'Long-Term Capital Management and the Sociology of Arbitrage', *Economy and Society*, 32(3): 349-80
- MacKenzie, Donald,** 2006. *An engine, not a camera: How financial models shape markets*. Cambridge, MA: MIT Press.
- MacKenzie, Donald and Yuval Millo,** 2003. Negotiating market, performing theory: the historical sociology of a financial derivatives exchange. *American Journal of Sociology* 109 (1), 107-145
- Muniesa, Fabian,** 2000 'Un robot walrasien: Cotation électronique et justesse de la découverte des prix'. *Politix* 13/52: 121-154.
- Preda, Alex,** 2006. 'Of ticks and tapes: Financial knowledge and price-recording technologies in 19th century financial markets.' Forthcoming, *Social Studies of Science*.
- Rogers, Richard,** 2004. *Information Politics on the Web*, MIT Press, Cambridge, MA.
- Shiller, Robert J,** 2000. *Irrational Exuberance*. Princeton University Press, 2000.
- Zuckerman, Ezra,** 2004. Structural Incoherence and Stock Market Activity. *American Sociological Review* 69: 405-432.
- Zuckerman, Ezra and H. Rao.** 2004. "Shrewd, crude or simply deluded? Comovement and the internet stock phenomenon." *Industrial and Corporate Change*. 13:171-212.
- Zaloom, Caitlin.** 2003. 'Ambiguous numbers: Trading technologies and interpretation in financial markets'. *American Ethnologist* 30:258-272.